

**Fiscal Services Division**  
**Legislative Services Agency**  
**Fiscal Note**

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SF 169 - Methamphetamine Precursors (LSB 1123 SV.1)

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Fiscal Note Version – As Amended and Passed by the Senate

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**Description**

Senate File 169 as amended and passed by the Senate relates to the regulation of substances which are precursors to amphetamine and methamphetamine and provides penalties. The Bill restricts bail for persons charged with the manufacture, delivery, or possession with intent to deliver, or distribution of methamphetamine, by requiring offenders to be supervised and to undergo random drug tests as a condition of release on bail. The Sections of the Bill that make ephedrine and most pseudoephedrine products a Schedule V controlled substance take effect upon enactment.

**Assumptions**

1. A lag effect of six months is assumed from the law's effective date to the date of the first entry of affected offenders into the correctional system.
2. In FY 2004, there were approximately 1,950 arrests for manufacturing/distribution of methamphetamine. Of this amount, 500 people were charged with a meth-related offense and admitted to pre-trial release programs. The remaining people may remain in jail or be released by some other method, such as release on their own recognizance or by posting bail. Under the Bill, it is estimated that there may be approximately 875 to 1,450 new cases for pre-trial release with supervision.
3. Community-Based Corrections (CBC) staffing standards are one probation officer for every 60 people on pre-trial release.
4. The total cost for urinalysis testing is \$180 for each person based on a six-month average length of stay on supervision. This figure includes random testing at least four times a month over the six-month supervision period.
5. In calendar year 2004, there were approximately 1,500 meth labs seized by State and local law enforcement. Approximately 42.0% of these labs were seized by the State. Senate File 169 may reduce the number of labs seized by approximately 24.0% annually based on similar legislation enacted in other States.
6. In calendar year 2004, the total cost to clean up meth lab sites in Iowa was \$1.2 million (\$800 per site). This figure includes a mix of federal, State, and local funds. Approximately 40.0% of the Division of Narcotics Enforcement's budget is federal funds, which are anticipated to decline in future fiscal years.
7. There have been no convictions for any retail provisions concerning precursors or the enhanced penalties for theft of pseudoephedrine. The law took effect July 1, 2004.
8. The average State costs for one new simple misdemeanor conviction ranges from \$14 to \$270. The average State costs for one new serious misdemeanor conviction ranges from \$100 to \$4,000. The average State cost for one new aggravated misdemeanor conviction ranges from \$1,000 to \$5,700. The average State cost for one new Class C felony ranges from \$3,000 to \$23,000. The costs for any misdemeanor or felony above a simple misdemeanor may be incurred across multiple years while the offender is supervised in the correctional system.

### **Correctional Impact**

Senate File 169 as amended and passed by the Senate may result in approximately 875 to 1,450 additional people annually being supervised in CBC and required to undergo random drug testing.

### **Fiscal Impact**

The bail restrictions of SF169 as amended and passed by the Senate will impact CBC District Department budgets. Costs in FY 2006 are anticipated to range from approximately \$454,000 and 7.5 additional FTE positions to \$730,000 and 12.0 additional FTE positions (staff and testing supply costs). Annualized costs in FY 2007 are anticipated to range from approximately \$908,000 and 15.0 additional FTE positions to \$1.5 million and 24.0 additional FTE positions.

It is anticipated the costs of the new graduated scale of fines for the sale of pseudoephedrine and the enhanced penalties for theft of pseudoephedrine will not result in a significant fiscal impact.

Any State, federal, and local savings generated by a reduction in meth labs will be redirected to other drug interdiction efforts by State and local law enforcement. Any savings generated by the provisions of SF 169 as amended and passed by the Senate cannot be determined.

Under current law, there have been no civil penalty convictions. The law took effect July 1, 2004. Senate File 169 as amended and passed by the Senate defines a graduated scale of civil fines. It is anticipated there will be no additional civil penalty revenue generated from SF 169 as amended and passed by the Senate.

### **Sources**

Department of Human Rights, Criminal and Juvenile Justice Planning  
Department of Corrections  
Department of Public Safety  
Governor's Office of Drug Control Policy

/s/ Holly M. Lyons

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February 21, 2005

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The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Fiscal Services Division, Legislative Services Agency to members of the Legislature upon request.

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